

MOTION BY SUPERVISOR ZEV YAROSLAVSKY

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While redevelopment agencies may have begun with noble ideals, all too often in recent years they had devolved into slush funds for insiders and a bureaucratic means of denying schools, social service agencies, and police and fire departments the resources they needed to make California a better place to live and work. As auditors throughout the state begin to open the books of these agencies, the public is likely to be shocked at the amount of money that was wasted on frivolous projects, or that sat in redevelopment agency coffers at a time when communities desperately needed the resources. As a whole, California will be better-off as a result of the Supreme Court's decision upholding ABx1 26.

But despite their glaring flaws, at least some redevelopment agencies provided both a source of desperately needed funding for low and moderate income housing, as well as a mechanism by which local governments implemented worthwhile economic development functions. Particularly at a time when many federal housing resources are being slashed by nearly 50% per year, California's local jurisdictions must quickly identify ways to continue providing the means to build affordable housing for the most vulnerable among us, while also working within, and carrying out, the new rules

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established by the State legislature.

The demand for more housing and community development resources could not be greater. Over the past several years, as the need in our communities has skyrocketed the resources have shrunk exponentially. Here are just a few examples:

- According to one recent survey, there were nearly 200,000 people on the waiting list for a Los Angeles County Section 8 housing voucher and the waiting period is approximately ten years;
- In many cities, the waiting period is even longer: One city in the Third Supervisorial District recently had a waiting list that was an astronomical 339 years;
- The tax credit market for affordable housing has largely disappeared since the start of the current recession;
- The County's allocation of federal HOME funds has been repeatedly slashed—most recently by 44% in just one year; and,
- Just after Thanksgiving, the federal government reduced by almost one-fourth the County's allocation of community development block grants that are used to build parks, provide community services, and beautify our neighborhoods.

To address the need for affordable housing and economic development in a post-redevelopment California, local governments will have to develop new, more efficient mechanisms of providing resources for these purposes. To that end, the County of Los Angeles, and its Housing Authority / Community Development Commission must develop an "Affordable Housing and Economic Development

Framework” that sets out a governing mechanism, coordinated strategy, and preliminary funding plan to help meet this need, while still recognizing budget realities. As one key source of funding for affordable housing and economic development, the County should consider setting aside a portion of the tax revenues that will no longer be captured by the redevelopment agencies.

I, THEREFORE, MOVE that the Board of Supervisors instruct the CEO, and the CDC / Housing Authority to each develop their recommended “Affordable Housing and Economic Development Framework,” which shall at minimum include a governing mechanism, coordinated strategy, and preliminary funding plan, and provide their respective recommendations to the Board of Supervisors within the next 90 days.

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